



U.S. Department of Energy
Office of Inspector General
Office of Inspections and Special Inquiries

Inspection Report

Security Access Controls at the Y-12
National Security Complex

DOE/IG-0691

June 2005




Department of Energy

Washington, DC 20585

June 14, 2005

MEMORANDUM FOR THE SECRETARY

FROM:


Gregory H. Friedman
Inspector General

SUBJECT:

INFORMATION: Inspection Report on "Security Access Controls at the Y-12 National Security Complex"

BACKGROUND

The Office of Inspector General received information that non-U.S. citizens were improperly allowed access to a leased facility at the Department of Energy's Y-12 complex in Oak Ridge, Tennessee. Y-12, part of the National Nuclear Security Administration (NNSA), is designated as a National Security Complex and is one of the Department's most sensitive sites. We initiated an inspection to evaluate the factual basis of the allegation and, if confirmed, to determine whether control procedures at Y-12 should have prevented such access.

RESULTS OF INSPECTION

We found that foreign construction workers, using false documents, had, in fact, gained access to the Y-12 site on multiple occasions. Specifically, 16 foreign construction workers were found to have been illegal aliens. Some of these workers acquired facility access badges and were, as a result, permitted access to the main Y-12 site. Others were able to access an adjacent Y-12 leased facility.

Further, certain information associated with the construction of the Y-12 leased facility, which was planned to store documents classified up to Secret-Restricted Data, was considered Unclassified Controlled Nuclear Information and Official Use Only. While this was a significant concern, we did not uncover any evidence that such information was compromised.

Finally, we determined that access control procedures at Y-12, which might have prevented unauthorized access, either were not implemented or were not effective. These are more fully described in the report, but included reliance on construction subcontractors to self-certify as to the status of their workers.

When informed of our findings, Y-12 management took prompt corrective action. However, we are concerned that process shortcomings similar to those found at Y-12 may exist at other Department of Energy locations. Therefore, we are recommending



that the Office of Independent Oversight and Performance Assurance (OA) augment its security review processes to address these issues.

MANAGEMENT REACTION

Management concurred in our findings and recommendations and committed to taking necessary corrective actions. NNSA, for example, stated that it would make all of its site office managers aware of the findings at Y-12 to ensure that steps are taken, if necessary, to improve facility access controls. The Office of Security and Safety Performance Assurance, OA's parent organization, informed us that access controls have been a recognized weakness across the Government and that much work is being done to prevent reoccurrences of the types of issues identified in this report.

Attachment

cc: Deputy Secretary
Chief of Staff
Administrator, National Nuclear Security Administration
Director, Office of Security and Safety Performance Assurance
Director, Office of Independent Oversight and Performance Assurance
Manager, Y-12 Site Office
Director, Office of Program Liaison and Financial Analysis (ME-100)
Director, Policy and Internal Controls Management (NA-66)

SECURITY ACCESS CONTROLS AT THE Y-12 NATIONAL SECURITY COMPLEX

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Overview

INTRODUCTION AND OBJECTIVE

The Department of Energy's (DOE) Y-12 National Security Complex (Y-12) in Oak Ridge, Tennessee, is a component of the National Nuclear Security Administration and is an integral part of the nuclear weapons complex. The mission of Y-12 includes the manufacture of nuclear weapons components; weapons dismantlement, storage, and evaluation; and, the warehousing of enriched uranium material.

The DOE Office of Inspector General received an allegation that in 2004, non-U.S. citizens were improperly allowed access to a Y-12 leased facility. The objective of this inspection was to evaluate the factual basis of the allegation and, if confirmed, to determine whether control procedures at Y-12 should have prevented such access.

OBSERVATIONS AND CONCLUSIONS

We concluded that the access control procedures at the time of our inspection did not prevent access to Y-12 facilities by illegal aliens. Specifically, we found that:

- Foreign construction workers, using false documents, gained access to the Y-12 site on multiple occasions.

Details of Findings

ACCESS TO Y-12 BY NON-U.S. CITIZENS

We found that foreign construction workers, using false documents, gained access to the Y-12 site on multiple occasions. Specifically, we determined 16 foreign construction workers were illegal aliens. Some of these workers acquired facility access badges and were permitted access to the main Y-12 site, and others were permitted access to an adjacent Y-12 leased facility. Certain information associated with the construction of the Y-12 leased facility, which was planned to store documents up to the Secret-Restricted Data level, was considered Unclassified Controlled Nuclear Information (UCNI) and Official Use Only (OUO). Consequently, these individuals may have had opportunities to inappropriately access this type of information.

Access Control Procedures

We determined that control procedures at Y-12 facilities, which should have prevented unauthorized access, were not implemented. For example, a requirement for all employees working at the Y-12 leased facility construction site to be U.S. citizens was included in the construction solicitation offer and pre-construction briefs; however, this requirement was erroneously not included in the signed contract. While the deletion of the applicable contract clause was a problem, we were also concerned about the apparent reliance on the subcontractor to self-certify the citizenship status of their employees. Also, we learned that the Office of Counterintelligence was not aware of the presence of foreign construction workers at the Y-12 leased facility until notified by the Office of Inspector General (OIG) during this inspection. Counterintelligence checks had not been performed for these individuals to that point.

Use of Fraudulent Documents

We coordinated with the U.S. Department of Homeland Security's Bureau of Immigration and Customs Enforcement (ICE) on the possible use of fraudulent identification by foreign construction workers to gain access to the Y-12 facilities. ICE officials determined that "green cards" used by 16 foreign construction workers were fraudulent. Legitimate "green cards" are used to prove that a foreign national has a legal right to live and work in the United States. Because the "green cards" were fraudulent, the 16 foreign construction workers were considered to be illegal aliens.

Revision of Y-12 Access Policy

We informed the Y-12 Site Office Acting Assistant Manager for Safeguards and Security of these incidents. Following this notification, operations at the Y-12 leased facility were temporarily shut down and additional measures were implemented by Y-12 officials to improve security and control access at the facility. In

February 2005, prior to completion of our inspection, Y-12 officials issued a revised access policy entitled “Citizenship Verification Requirements for Access to the Y-12 National Security Complex.” The revised policy addressed the concerns we had raised to Y-12 officials during our review. We plan to include a review of the effectiveness of the revised access policy in future work at Y-12 facilities.

OA Access Control Review

We found that, in January 2004, the DOE Office of Independent and Oversight Performance Assurance (OA) conducted a review of safeguards and security at the Y-12 site, including a review of access control procedures. However, we determined that the OA review did not address the specific access control issues identified in this report.

LESSONS LEARNED

The lessons learned during this inspection have possible broader implications for security at other DOE sites. Therefore, in a separate memorandum to the Under Secretary for Energy, Science and Environment and the Administrator, National Nuclear Security Administration, we are recommending that they determine what Department-wide actions are warranted.

RECOMMENDATIONS

We recommend that the Manager, Y-12 Site Office:

1. Ensure that the revised access policy is fully and consistently implemented to prevent inappropriate access to Y-12 facilities.

We recommend that the Director, Office of Independent Oversight and Performance Assurance:

2. Review the information provided in this report, and take action to ensure that future OA security reviews at Y-12 and other Department facilities include inspection steps specific to the issues discussed in this report.

MANAGEMENT COMMENTS

Management concurred and provided comments on a draft of this report. NNSA stated that it would make all of its Site Office Managers aware of the findings at Y-12 to ensure that they take similar steps, if necessary, to improve access controls to sensitive DOE sites.

The Office of Security and Safety Performance Assurance (SSA) explained that access controls have been a recognized weakness across the Government, and that much work is being done to

prevent reoccurrence of the types of issues this report identified. For example, SSA noted that the Department's response to Homeland Security Presidential Directive 12, "Policy for a Common Identification Standard for Federal Employees and Contractors," as well as new guidance on prosecution of persons who falsely represent their identities, would strengthen access controls. SSA also stated that the Office of Independent Oversight and Performance Assurance would assess the adequacy and effectiveness of the corrective actions implemented by Y-12 in response to this report.

Management's comments are included in their entirety at Appendix B.

**INSPECTOR
COMMENTS**

Management's comments were responsive to our recommendations. We note that at the time of the incidents identified in our report, NNSA had policies in place to control access at Y-12 and other NNSA sites. These policies failed to prevent the deficiencies we identified at Y-12. In that regard, the effective implementation of not only the corrective actions at Y-12, but the implementation of Presidential Directive 12 throughout the DOE complex, takes on greater importance.

NNSA pointed out there was no evidence that foreign nationals with fraudulent green cards had access to any UCNI or OUO documents. During our physical inspection of the Y-12 leased facility, we observed UCNI and OUO documents lying unprotected in a construction trailer, which was accessed by the foreign construction workers who are the subject of this report. Thus, these individuals were afforded opportunities to access UCNI, as well as OUO information. We concluded that this situation represented a potentially serious access control and security problem.

Appendix A

SCOPE AND METHODOLOGY

We identified and reviewed applicable DOE regulations and other key documents applicable to the inspection. We interviewed Federal and contractor staff assigned to Department field locations in Oak Ridge, Tennessee. We worked with the OIG Office of Investigations and the U.S. Department of Homeland Security's Bureau of Immigration and Customs Enforcement.

This inspection was conducted in accordance with the "Quality Standards for Inspections" issued by the President's Council on Integrity and Efficiency. Pursuant to the Government Performance and Results Act of 1993 we reviewed performance measures related to security and access control.




Department of Energy
National Nuclear Security Administration
Washington, DC 20585



JUN 08 2005

MEMORANDUM FOR Alfred K. Walter
Assistant Inspector General
for Inspections and Special Inquiries

FROM: Michael C. Kane 
Associate Administrator
for Management and Administration


SUBJECT: Comments to Draft Inspection Report on Y-12's
Security Access Controls, 2005-14125

The National Nuclear Security Administration (NNSA) appreciates the opportunity to review the Inspector General's draft Inspection Report: "Security Access Controls at the Y-12 National Security Complex." We understand that the IG conducted this inspection based on an allegation that undocumented workers were allowed access to a leased facility at Y-12.

NNSA permits subcontractors to use workers who are not U.S. citizens on projects in unclassified areas of the complex. In accordance with U.S. law, these workers are expected to have proper documentation (permanent resident card, also known as a green card). The subcontractor has the responsibility to determine that its employees are either U.S. citizens or possess valid permanent resident cards. In the cases cited in this report, some of the workers involved possessed fraudulent green cards.

The foreign nationals who possessed fraudulent green cards were in a building that contained business sensitive/non-classified (Unclassified Nuclear Information and Official Use Only) documents. There is no evidence that they had access to any of the documents. No classified information was stored in the building. Classified information is strictly controlled, and uncleared workers with or without green cards, fraudulent or otherwise, would have no access to that information.

The policy for granting access to the Y-12 National Security Complex is currently supported by Standing Order Number SO-Y-12-05-06 (Incorporated into BWXT Y-12 Policy Y-12-006 to be published during August), which became effective February 15, 2005. The order applies to any Y-12 organization requesting a Bear Creek Road (main entrance road into plant) Pass, an uncleared visitor's badge, or uncleared photo badge(s) and, the order applies to **ALL** individuals requiring or requesting access to the Y-12 complex. For the public (employees, visitors, subcontractor employees), verification of legal status must be established by the Visitor Control element before gaining access to the site.

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Access is withheld until acceptable proof of legal status (such as Birth Certificates, Certificates of Naturalization, Passports, etc.) can be provided. It is incumbent upon employees hosting visitors, subcontract technical representatives, and/or organizations requesting access to the complex to ensure these visitors are aware of the documentation requirements.

NNSA will make all Site Office Managers aware of the IG's findings at Y-12 to ensure that they take similar steps, if necessary, to improve controls on access by uncleared foreign nationals.

Should you have any questions related to this response, please contact Richard Speidel, Director, Policy and Internal Controls Management.

cc: William Brumley, Manager, Y-12 Site Office
William Desmond, Associate Administrator for Defense Nuclear Security
Robert Braden, Senior Procurement Executive
Karen Boardman, Director, Service Center



Department of Energy
Washington, DC 20585

May 25, 2005

MEMORANDUM FOR ALFRED K. WALTER
ASSISTANT INSPECTOR GENERAL
FOR INSPECTIONS AND SPECIAL INQUIRIES

FROM: GLENN S. PODONSKY
DIRECTOR
OFFICE OF SECURITY AND SAFETY
PERFORMANCE ASSURANCE

SUBJECT: Response to the Draft Report on Security Access Controls at the
Y-12 National Security Complex – SO4IS015

The Office of Security and Safety Performance Assurance (SSA) has reviewed your May 20, 2005, draft report, "Security Access Controls at the Y-12 National Security Complex." We concur with recommendation 2 in the report, which states that future OA security inspections of Y-12 and other Department facilities include reviews of access control procedures. The Office of Independent Oversight and Performance Assurance (OA), within SSA, reviews the adequacy of access controls on an ongoing basis as part of its inspection program. OA has modified its lines of inquiry to more directly assess the particular issues identified at Y-12 in your report.

Currently, OA is inspecting the Y-12 National Security Complex. As part of the Y-12 inspection, OA will assess the adequacy and effectiveness of the access control measures implemented by Y-12 in response to your audit. The Y-12 final inspection report will be issued in July 2005, which will contain the results of our assessment.

We suggest that the report explain that access controls have been a recognized weakness across the government and that much work is being done to improve access controls and prevent reoccurrence of the deficiencies identified in your report. For example, as part of implementing Homeland Security Presidential Directive (HSPD) – 12, *Policy for a Common Identification Standard for Federal Employees and Contractors*, the Department, as well as other government agencies, are putting in place standards, by October 2005 that will be strongly resistant to identity fraud, tampering, counterfeiting, and terrorist exploitation. HSPD-12 will require several forms of identification to prove citizenship and identity and a National Agency Check prior to issuance of an access badge with a "smart" electronic chip. It is our understanding that the Department of Energy (DOE) Inspector General will accredit the identity proofing and the Departmental registration process. In addition, the Office of



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Security within SSA is incorporating requirements in its current revision of the DOE physical protection manual that will allow prosecution of individuals who falsely represent themselves as a U.S. citizen or use false documents. Prosecution for these offenses is allowed under existing laws and will be used as a form of deterrence.

If you have any questions, please contact me at (301) 903-3777 or your staff may contact Arnold Guevara, OA's Director of Safeguards and Security Evaluations, at (301) 903-5895.

cc:

M. Kilpatrick, OA-1
M. Combs, SO-1
L. Gasperow, SP-1.2
J. Hawthorne, SO-10
L. Wilcher, SO-20
A. Guevara, OA-10

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